



**JACK O'CONNELL**  
State Superintendent of Public Instruction

CALIFORNIA  
DEPARTMENT  
OF  
EDUCATION

1430 N Street

P.O. Box 944272

Sacramento, CA

94244-2720

June 25, 2003

To: County and District Chief Business Officials  
Charter School Administrators

From: Janet Sterling, Director  
School Fiscal Services Division

Subject: **Lottery Revenue Projections**

The following lottery revenue projections are offered for your information as you prepare year-end statements and update your budgets.

2002-03

Lottery sales for 2002-03 were strong during the first three quarters of the fiscal year, but slowed down considerably in the fourth quarter due to the lack of large rollover jackpots. Total sales are projected to reach \$2.8 billion, which would generate approximately \$1.007 billion for education. Based on this information, we estimate that the lottery will provide \$112.29 per ADA in unrestricted lottery revenues and \$11.71 per ADA in Proposition 20 revenues for the 2002-03 fiscal year. This is a decrease from our previous estimate of \$113 per ADA unrestricted and \$12 per ADA for Proposition 20. The total amount apportioned through the third quarter is \$99.05 per ADA in unrestricted lottery revenues. We recommend that LEAs accrue fourth quarter revenues at \$13.24 per ADA for the unrestricted lottery apportionment and \$11.71 per ADA for the Proposition 20 apportionment.

Please note that if you owe funds back to the State for prior year ADA adjustments, these amounts will be offset against your fourth quarter apportionment and should be taken into consideration when booking your fourth quarter accrual. You can determine if you have amounts due back by checking the third quarter State Controller's Office Master Register. Amounts due are listed under the Accounts Receivable Balance column and are broken down by Non Prop-20 and Prop-20. If your agency does not receive a hard copy of the Master Register, you can view it on the SCO's web site at <[www.sco.ca.gov/ard/payments/lottery](http://www.sco.ca.gov/ard/payments/lottery)>.

County and District Chief Business Officials  
Charter School Administrators  
June 25, 2003  
Page 2

2003-04

The Lottery Commission is projecting sales for 2003-04 of \$2.8 billion, which would provide education with an estimated \$1.002 billion for that year. This level of sales would provide approximately \$109 per ADA for unrestricted lottery revenues and \$11 per ADA for Proposition 20 revenues for the 2003-04 fiscal year.

We will continue to monitor lottery projections and will advise you of any changes. If you have any questions or if we can be of further assistance, please contact Janet Finley at (916) 323-5091 or by e-mail at [jfinley@cde.ca.gov](mailto:jfinley@cde.ca.gov) or Scott Hannan at (916) 327-0538 or by e-mail at [shannan@cde.ca.gov](mailto:shannan@cde.ca.gov).

JS:jf